



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 2, 2001

H.R. 2985 **American Spirit Fraud Prevention Act**

*As ordered reported by the House Committee on Energy and Commerce
on October 11, 2001*

H.R. 2985 would authorize the Federal Trade Commission (FTC) to seek higher civil penalties for unfair or deceptive business practices if businesses exploit the popular reaction to a national emergency. This authority would apply to violations committed within a year after the President has declared a national emergency.

Based on information from the FTC, CBO estimates that implementing H.R. 2985 would increase the agency's enforcement costs and collections of civil penalties by insignificant amounts. Because the bill would affect civil penalties, which are classified in the budget as governmental receipts (revenues), pay-as-you-go procedures would apply.

H.R. 2985 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or governments.

The CBO staff contact for this estimate is Ken Johnson. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.